

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended and P.A. 71 of 1919, as amended.

Local Unit of Government Type <input type="checkbox"/> County <input type="checkbox"/> City <input checked="" type="checkbox"/> Twp <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Unit Name ASSYRIA TOWNSHIP	County BARRY
Fiscal Year End 3/31/06	Opinion Date 12/22/06	Date Audit Report Submitted to State 3/28/07	

We affirm that:

We are certified public accountants licensed to practice in Michigan.

We further affirm the following material, "no" responses have been disclosed in the financial statements, including the notes, or in the Management Letter (report of comments and recommendations).


YES NO

Check each applicable box below. (See instructions for further detail.)

1. ☒ ☐ All required component units/funds/agencies of the local unit are included in the financial statements and/or disclosed in the reporting entity notes to the financial statements as necessary.
2. ☒ ☐ There are no accumulated deficits in one or more of this unit's unreserved fund balances/unrestricted net assets (P.A. 275 of 1980) or the local unit has not exceeded its budget for expenditures.
3. ☒ ☐ The local unit is in compliance with the Uniform Chart of Accounts issued by the Department of Treasury.
4. ☒ ☐ The local unit has adopted a budget for all required funds.
5. ☒ ☐ A public hearing on the budget was held in accordance with State statute.
6. ☒ ☐ The local unit has not violated the Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, or other guidance as issued by the Local Audit and Finance Division.
7. ☒ ☐ The local unit has not been delinquent in distributing tax revenues that were collected for another taxing unit.
8. ☒ ☐ The local unit only holds deposits/investments that comply with statutory requirements.
9. ☒ ☐ The local unit has no illegal or unauthorized expenditures that came to our attention as defined in the *Bulletin for Audits of Local Units of Government in Michigan*, as revised (see Appendix H of Bulletin).
10. ☒ ☐ There are no indications of defalcation, fraud or embezzlement, which came to our attention during the course of our audit that have not been previously communicated to the Local Audit and Finance Division (LAFD). If there is such activity that has not been communicated, please submit a separate report under separate cover.
11. ☒ ☐ The local unit is free of repeated comments from previous years.
12. ☒ ☐ The audit opinion is UNQUALIFIED.
13. ☒ ☐ The local unit has complied with GASB 34 or GASB 34 as modified by MCGAA Statement #7 and other generally accepted accounting principles (GAAP).
14. ☒ ☐ The board or council approves all invoices prior to payment as required by charter or statute.
15. ☒ ☐ To our knowledge, bank reconciliations that were reviewed were performed timely.

If a local unit of government (authorities and commissions included) is operating within the boundaries of the audited entity and is not included in this or any other audit report, nor do they obtain a stand-alone audit, please enclose the name(s), address(es), and a description(s) of the authority and/or commission.

I, the undersigned, certify that this statement is complete and accurate in all respects.

We have enclosed the following:	Enclosed	Not Required (enter a brief justification)	
Financial Statements	<input checked="" type="checkbox"/>		
The letter of Comments and Recommendations	<input checked="" type="checkbox"/>		
Other (Describe)	<input type="checkbox"/>		
Certified Public Accountant (Firm Name) FOOTE AND LLOYD, C.P.A.s		Telephone Number (269) 962-7518	
Street Address TWO WEST MICHIGAN, SUITE 210		City BATTLE CREEK	State MI
		Zip 49017	
Authorizing CPA Signature 		Printed Name CHARLES W. FOOTE	License Number 1101007397

**ASSYRIA TOWNSHIP
BARRY COUNTY, MICHIGAN**

**REPORT OF AUDIT
FOR THE FISCAL YEAR ENDED
MARCH 31, 2006**

**FOOTE and LLOYD
CERTIFIED PUBLIC ACCOUNTANTS
BATTLE CREEK, MICHIGAN**

**ASSYRIA TOWNSHIP
BARRY COUNTY, MICHIGAN**

MARCH 31, 2006

OFFICIARY

David M. Boles

Supervisor

Deborah Massimino

Clerk

Nianne Jarrad

Treasurer

Harry Augustine

Trustee (To 1-06)

Fred Bylsma

Trustee (From 11-06)

Jim Miller

Trustee

Population 1,912 (2000 Census)

Fiscal Year Ended March 31, 2006

ASSYRIA TOWNSHIP

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MEMBERS:
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

MICHIGAN ASSOCIATION
CERTIFIED PUBLIC ACCOUNTANTS

*FLORIDA INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Assyria Township
Barry County, Michigan

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Assyria Township, Barry County, Michigan, as of and for the year ended March 31, 2006, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Assyria Township's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the government activities, each major fund, and the aggregate remaining fund information of Assyria Township, as of March 31, 2006, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 1, the township has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, as amended and interpreted, as of March 31, 2006.

The management's discussion and analysis and budgetary comparison information on pages 3 through 4 and 16, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Assyria Township's basic financial statements. The additional information found on pages 16 through 19 are not a required part of the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Foote and Lloyd

CERTIFIED PUBLIC ACCOUNTANTS

Battle Creek, Michigan
December 22, 2006

ASSYRIA TOWNSHIP
Management's Discussion and Analysis

Using this Annual Report

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of the Township as a whole and present a longer-term view of the Township's finances. Fund financial statements tell how these services were financed in the short-term, as well as what remains for future spending. Fund financial statements also report the Township's operations in more detail than the government-wide financial statements.

The Township as a Whole

In a condensed format, the table below shows net assets as of fiscal year-end:

	Governmental Activities 3-31-06	3-31-05 (None available)
Current Assets	371,096	
Noncurrent Assets	<u>7,000</u>	
Total Assets	378,096	
Total Liabilities	-	
Net Assets		
Invested in Capital Assets - Net of Debt	7,000	
Restricted for Capital Projects	-	
Unrestricted	<u>371,096</u>	
Total Net Assets	<u><u>378,096</u></u>	

A comparative analysis will be provided in future years when prior year information is available.

The following table shows the changes of the net assets:

	Governmental Activities 3-31-06	3-31-05 (None available)
Program Revenues		
Charges for Services	2,926	
General Revenues		
Property Taxes	40,756	
State-Shared Revenues	129,965	
Unrestricted Investment Earnings	7,763	
Miscellaneous	6,798	
Transfers	<u>-</u>	
Total Revenues	188,208	

ASSYRIA TOWNSHIP
Management's Discussion and Analysis
Page 2

	Governmental Activities
	3-31-06 3-31-05
	(None available)
Program Expenses	
General Government	74,496
Public Safety	20,000
Health & Welfare	10,750
Public Works	<u>104,117</u>
Total Expenses	<u>209,363</u>
Change in Net Assets	<u>(21,155)</u>

The financial position of Assyria Township remains stable through the fiscal years ending 2005 and 2006. Revenue increased slightly, by 3%. The majority of the increase can be attributed to interest earned on certificates of deposit and checking accounts. Other areas of revenue remain stable and unchanged. There has been no significant change in the tax base for the township that would account for increased or decreased tax based revenue. The Township's largest source of revenue remains State Shared Revenue.

There were no significant variances between original budget, final budget, and actual results for either fiscal year. There were also no changes in fund resources. The Township has no short term or long term debt.

In fiscal year 2005, \$32,141 was used for the Township's portion of a new fire truck in the Community Fire Department that is a collaboration of local government units. The Township has also made a commitment in fiscal year 2007 to contribute \$15,000 for the purchase of an equipment van for the Community Fire Department.

In fiscal year 2006, the Township increased the expense in Roads by nearly \$50,000 from 2005. In meetings with the County Road Commission, it has been determined that estimates for this increased spending will remain in following years to keep Township roads in good condition. The management of the Township remains concerned about the increased cost of maintaining our roads with the limited revenue received. Future road improvements and maintenance contributions by the Township will be significantly limited.

BASIC FINANCIAL STATEMENTS

**ASSYRIA TOWNSHIP
GOVERNMENT-WIDE STATEMENT OF NET ASSETS
MARCH 31, 2006**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and Cash Equivalents	366,122	-	366,122
Receivables - Net	4,974	-	4,974
Capital Assets - Net	<u>7,000</u>	<u>-</u>	<u>7,000</u>
Total Assets	378,096	-	378,096
Liabilities			
Accounts Payable	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	-	-	-
Net Assets			
Invested in Capital Assets			
Net of Related Debt	7,000	-	7,000
Restricted for Capital Projects	-	-	-
Unrestricted	<u>371,096</u>	<u>-</u>	<u>371,096</u>
Total Net Assets	<u>378,096</u>	<u>-</u>	<u>378,096</u>

The Notes to Financial Statements are an integral part of this statement.

ASSYRIA TOWNSHIP
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FISCAL YEAR ENDED MARCH 31, 2006

		Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
			Operating	Capital	Primary Government		
Functions/Programs	Expenses	Charges for	Grants and	Grants and	Governmental	Business-Type	Total
		Services	Contributions	Contributions	Activities	Activities	
Primary Government							
General Government	74,496	2,926	-	-	(71,570)	-	(71,570)
Public Safety	20,000	-	-	-	(20,000)	-	(20,000)
Health & Welfare	10,750	-	-	-	(10,750)	-	-
Public Works	104,117	-	-	-	(104,117)	-	(104,117)
Total Governmental Activities	209,363	2,926	-	-	(206,437)	-	(206,437)
Business Type-Activities							
None	-	-	-	-	-	-	-
Total Primary Government	209,363	2,926	-	-	(206,437)	-	(206,437)
General Revenues							
Property Taxes					40,756	-	40,756
State-Shared Revenues					129,965	-	129,965
Unrestricted Investment Earnings					7,763	-	7,763
Miscellaneous					6,798	-	6,798
Transfers					-	-	-
Total General Revenues--Special Items and Transfers					185,282	-	185,282
Change in Net Assets					(21,155)	-	(21,155)
Net Assets - Beginning					399,251	-	399,251
Net Assets - Ending					378,096	-	378,096

The Notes to Financial Statements are an integral part of this statement.

**ASSYRIA TOWNSHIP
GOVERNMENTAL FUND BALANCE SHEET
MARCH 31, 2006**

Assets

Cash and Cash Equivalents	366,122	
Receivables - Net	<u>4,974</u>	
Total Assets		<u><u>371,096</u></u>

Liabilities

Accounts Payable	<u>-</u>	
Total Liabilities		-

Fund Balances

Unreserved and Undesignated	<u>371,096</u>	
Total Fund Balances		<u><u>371,096</u></u>

TOTAL LIABILITIES AND FUND BALANCES		<u><u>371,096</u></u>
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Amounts reported for governmental activities in the statement of net assets are different because:

*Capital assets used in governmental activities are not financial resources and are not reported in the funds.	<u>7,000</u>
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Net Assets of Governmental Activities	<u><u>378,096</u></u>
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The Notes to Financial Statements are an integral part of this statement.

**ASSYRIA TOWNSHIP
GOVERNMENTAL FUND STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE
FISCAL YEAR ENDED MARCH 31, 2006**

Revenues

Taxes and Penalties	40,756	
State-Shared Revenues	129,965	
Interest	7,763	
Charges for Services	2,926	
Other	<u>6,798</u>	
Total Revenues		188,208

Expenditures

General Government	74,064	
Public Safety	20,000	
Health & Welfare	10,750	
Public Works	<u>104,117</u>	
Total Expenditures		<u>208,931</u>

**Excess of Revenues Over
(Under) Expenditures**

(20,723)

Fund Balance - Beginning of Year

391,819

Fund Balance - End of Year

371,096

Amounts reported for governmental activities in the statement of activities are different because:

*Governmental funds report capital outlays as expenditures; in the statement of activities, these costs are allocated over their estimated useful lives as depreciation.

(432)

Change in Net Assets of Governmental Activities

(21,155)

The Notes to Financial Statements are an integral part of this statement.

ASSYRIA TOWNSHIP
Notes to Financial Statements
March 31, 2006

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the local Governmental Unit conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by the Local Governmental Unit:

A. Reporting Entity

The Township was organized in 1844 and covers an area of 36 square miles. The Township operates under an elected board of five members and provides services to its over 1,900 residents in many areas. The General Purpose Financial Statements contain all the funds and account groups that are controlled by or dependent on the Township's executive or legislative branches. There are no component units included in the reporting entity. Fire protection is provided by a Fire Board which serves the Village of Bellevue, Convis Township and Assyria Township.

Blended Component Units - There are no blended component units.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenue.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. All of the governmental funds are major funds.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

ASSYRIA TOWNSHIP
Notes to Financial Statements
March 31, 2006

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, expenditures relating to compensated absences, and claims and judgments are recorded only when payment is due.

The Township property tax is levied on each July 1st on the taxable valuation of property (as defined by State statutes) located in the Township as of the preceding December 1st.

Although the Township ad valorem tax is levied and collectible on July 1, it is the Township's policy to recognize revenue from the current tax levy in the subsequent year OR the current year when the proceeds of this levy are budgeted and made "available" for the financing of operations. "Available" means collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period (60 days).

The 2005 taxable valuation of the Township totaled \$44,737,218, on which ad valorem taxes levied consisted of .9110 mills for the Township operating purposes. No additional mills were levied. These amounts are recognized in the respective financial statements as taxes receivables-current or as tax revenue.

All other revenue items are considered to be available only when cash is received by the government.

The government reports the following major governmental funds:

The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

There are no other Funds.

D. Assets, Liabilities, and Net Assets or Equity

Bank Deposits and Investments – Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value.

Receivables and Payables – In general, outstanding balances between funds are reported as "due to/from other funds." Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "advances to/from other funds."

ASSYRIA TOWNSHIP
Notes to Financial Statements
March 31, 2006

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

All trade and property tax receivables are shown as net of allowance for uncollectible amounts. Property taxes are levied on each July 1st on the taxable valuation of property as of the preceding December 1st. Taxes are considered delinquent on September 15th of the following year, at which time penalties and interest are assessed.

Inventories and Prepaid Items - Inventories are valued at cost, on a first-in, first-out basis. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements. There are no inventories or prepaid items.

Capital Assets - Capital assets, which include property, plant, equipment, infrastructure assets (e.g. roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$2,500 and an estimates useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Interest incurred during the construction of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. During the current year, no interest expense was capitalized as part of the cost of assets under construction.

Property, plant and equipment is depreciated using the straight-line method over the following useful lives:

Buildings	25 to 50 years
Furn. & Equip.	15 to 20 years

Fund Equity - In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The differences between the government-wide and fund financial statements are reconciled as shown at the bottom of the fund financial statements.

NOTE 3 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information - Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at fiscal year end.

In the body of the financial statements, the Township's actual expenditures and budgeted expenditures for the budgetary funds have been shown on a line item basis. The approved budgets of the Township for these budgetary funds were adopted to the line item level.

ASSYRIA TOWNSHIP
Notes to Financial Statements
March 31, 2006

NOTE 3 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

During the year ended March 31, 2006, the Township incurred expenditures in no budgetary funds which were in excess of the amounts appropriated.

NOTE 4 - CONSTRUCTION PERMIT FEES

No fees are charged for the issuance of construction permits, and the necessary inspections are performed by Barry County. As a result, there is no fund balance for such activity.

NOTE 5 - DEPOSITS AND INVESTMENTS

Michigan Compiled Laws, Section 129.91, authorizes the local governmental unit to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations which have an office in Michigan. The local unit is allowed to invest in bonds, securities and other direct obligations of the United States or any agency or instrumentality of the United States; United States government or federal agency obligations; repurchase agreements; bankers' acceptance of United States banks; commercial paper rated within the two highest classifications which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions which are rated as investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan.

The Local Governmental Unit Board has designated one bank for the deposit of Local Unit funds. The investment policy adopted by the board in accordance with Public Act 196 of 1997 has authorized investment in bonds and securities of the United States government and bank accounts and CDs, but not the remainder of State statutory authority as listed above.

The Local Governmental Unit's deposits and investment policy are in accordance with statutory authority.

At year-end, the Local Unit's deposits and investments were reported in the basic financial statements in the following categories:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Fiduciary Funds</u>	<u>Total Primary Government</u>
Cash and Cash				
Equivalents	366,122	-	-	366,122
Investments		-	-	-
Restricted Assets		-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	<u>366,122</u>	<u>-</u>	<u>-</u>	<u>366,122</u>

ASSYRIA TOWNSHIP
Notes to Financial Statements
March 31, 2006

NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)

The breakdown between deposits and investments is as follows:

	<u>Primary Government</u>
Bank Deposits (checking and savings accounts, certificates of deposit)	366,122
Investments in Securities, Mutual Funds and Similar Vehicles	-
Petty Cash and Cash on Hand	-
Total	<u>366,122</u>

<u>Deposits</u>	<u>Carrying Amount</u>	<u>Bank Amount</u>
Insured (FSIC & FSLIC)	355,000	355,000
Uninsured and Uncollateralized	<u>11,122</u>	<u>13,683</u>
Total Deposits	<u>366,122</u>	<u>368,683</u>

Investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the Local Government Unit or its agent in the government's name;
2. Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the government's name; and
3. Uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the Local Governmental Unit's name.

At year-end, the government held no investments except cash and cash equivalents.

NOTE 6 - BUDGET RECONCILIATION

	<u>Budgetary Comparison Schedule</u>	<u>GAAP Financial Statements</u>	<u>Difference</u>
Actual Revenues	<u>188,208</u>	<u>188,208</u>	<u>-</u>
Actual Expenses	<u>208,931</u>	<u>209,363</u>	<u>432</u>

Explanation of difference:

Depreciation of Capital Assets	432
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During the year ended March 31, 2006, the Township did not incur expenditures in the budgetary fund in excess of the amounts appropriated.

ASSYRIA TOWNSHIP
Notes to Financial Statements
March 31, 2006

NOTE 7 - RECEIVABLES

Receivables as of year-end for the government's individual major and nonmajor funds, and the internal service and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Total
Taxes Receivable	4,974	4,974
Accounts	-	-
Intergovernmental	-	-
Interest and Other	-	-
Gross Receivables	<u>4,974</u>	<u>4,974</u>
Less: Allowance for Uncollectible	<u>-</u>	<u>-</u>
Net Receivables	<u><u>4,974</u></u>	<u><u>4,974</u></u>

Government funds report deferred revenue in connection with receivables for revenue that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned. At the end of the current fiscal year, the various components of deferred revenue are as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent Property Taxes	-	-
Special Assessments	-	-
Grant Drawdowns Prior to Meeting all Eligibility Requirements	<u>-</u>	<u>-</u>
Total	<u><u>None</u></u>	<u><u>None</u></u>

NOTE 8 - RISK MANAGEMENT

The Township's insurance for Workers' Compensation, General Liability and Property Loss and Fleet insurance is carried by an insurance company. The Township is not self-insured other than for minimal deductibles. No known material claims are outstanding. Insurance coverage is substantially the same as in previous years.

ASSYRIA TOWNSHIP
Notes to Financial Statements
March 31, 2006

NOTE 9 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual amounts could differ from those estimates.

NOTE 10 - CAPITAL ASSETS

Capital asset activity of the primary government for the current year was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities				
Capital Assets Not Being Depreciated				
Land	7,000	-	-	7,000
Construction in Progress	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Subtotal	7,000	-	-	7,000
Capital Assets Being Depreciated				
Buildings	16,667	-	-	16,667
Office Furn. & Equip.	6,258	-	-	6,258
Other	<u>1,175</u>	<u>-</u>	<u>-</u>	<u>1,175</u>
Subtotal	24,100	-	-	24,100
Less: Accumulated Depreciation for				
Buildings	16,667	-	-	16,667
Office Furn. & Equip.	5,826	432	-	6,258
Other	<u>1,175</u>	<u>-</u>	<u>-</u>	<u>1,175</u>
Subtotal	<u>23,668</u>	<u>432</u>	<u>-</u>	<u>24,100</u>
Net Capital Assets Being Depreciated	<u>432</u>	<u>(432)</u>	<u>-</u>	<u>-</u>
Governmental Activities Capital Total				
Capital Assets - Net of Depreciation	<u>7,432</u>	<u>(432)</u>	<u>-</u>	<u>7,000</u>

Depreciation expense was charged to programs of the primary government as follows:

Governmental Activities	
Unallocated	<u>432</u>
Total Governmental Activities	<u>432</u>

REQUIRED SUPPLEMENTAL INFORMATION

**ASSYRIA TOWNSHIP
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED MARCH 31, 2006**

	Original Budget	Amended Budget	Actual	Variance with Amended Budget Favorable (Unfavorable)
Beginning of Year Fund Balance	391,819	391,819	391,819	-
Resources (Inflows)				
Property Taxes	39,237	39,237	40,756	1,519
State Shared Revenue	117,000	117,000	129,965	12,965
Metro Authority Maintenance Fee	3,300	3,300	2,783	(517)
Cemetery	3,800	3,800	2,926	(874)
Miscellaneous Revenue	-	-	4,015	4,015
Interest Revenue	<u>3,000</u>	<u>3,000</u>	<u>7,763</u>	<u>4,763</u>
Amounts Available for Appropriation	166,337	166,337	188,208	21,871
Charges to Appropriations (Outflows)				
General Government:				
Township Board	39,500	39,000	13,448	25,552
Trustees	2,570	2,570	2,370	200
Supervisor & Assessor - Wages	17,976	17,976	17,976	-
Supervisor & Assessor - Other	500	500	292	208
Elections	3,000	3,000	2,791	209
Clerk - Wages	8,555	8,555	8,530	25
Clerk - Other	500	500	319	181
Board of Review	2,000	2,000	986	1,014
Treasurer - Wages	9,857	10,007	10,007	-
Treasurer - Other	600	600	575	25
Township Hall	3,000	3,350	3,498	(148)
Cemetery	16,000	16,000	13,272	2,728
Capital Outlay	-	-	-	-
Public Safety:				
Fire Board	20,000	20,000	20,000	-
Capital Outlay	-	-	-	-
Health & Welfare:				
Ambulance	14,000	14,000	8,750	5,250
Other	2,000	2,000	2,000	-
Public Works:				
Roads	-	116,500	104,117	12,383
Recycling	<u>116,500</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Charges to Appropriations	<u>256,558</u>	<u>256,558</u>	<u>208,931</u>	<u>47,627</u>
Budgetary Fund Balance - End of Year	<u>301,598</u>	<u>301,598</u>	<u>371,096</u>	<u>69,498</u>

The Notes to Financial Statements are an integral part of this statement.

OTHER SUPPLEMENTAL INFORMATION

**ASSYRIA TOWNSHIP
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
TAX COLLECTION FUND
FISCAL YEAR ENDED MARCH 31, 2006**

	Balance 4/1/2005	Additions	Deductions	Balance 3/31/2006
<u>ASSETS</u>				
Cash	311	1,179,479	1,179,509	281
<u>LIABILITIES</u>				
Fire Runs	-	4,345	4,345	-
Due to General Fund	<u>311</u>	<u>-</u>	<u>30</u>	<u>281</u>
Total	311	4,345	4,375	281

The Notes to Financial Statements are an integral part of these statements.

ASSYRIA TOWNSHIP
GENERAL FIXED ASSET GROUP OF ACCOUNTS
March 31, 2006

	Balance 4/1/05	Additions	Deductions	Balance 3/31/06
TOWN HALL				
Land	1,000	-	-	1,000
Building	16,667	-	-	16,667
OFFICE FURNITURE & EQUIPMENT	4,963	-	-	4,963
SOFTWARE	1,295	-	-	1,295
VOTING MACHINES (2) - Out-dated	5,000	-	5,000	-
CEMETERY				
Land	6,000	-		6,000
Fence	1,175	-		1,175
FIRE PROTECTION				
(Shared Investments) - Not in Assyria				
Audit				
Fire Trucks	126,372	-	126,372	-
Fire Barn	<u>9,273</u>	<u>-</u>	<u>9,273</u>	<u>-</u>
TOTAL INVESTMENT IN GENERAL FIXED ASSETS	<u>171,745</u>	<u>-</u>	<u>140,645</u>	<u>31,100</u>

The Notes to Financial Statements are an integral part of these statements.

**ASSYRIA TOWNSHIP
2005 TAX ROLL RECONCILIATION
MARCH 31, 2006**

	Tax Roll	Collections	Returned Delinquent
<u>Collections</u>			
State Education Tax	268,423	249,991	18,432
County Operating	331,047	295,046	36,001
Kellogg Community College	13,604	11,802	1,802
Willard Library	7,333	6,361	972
Special Education			
Barry County ISD	18,457	16,089	2,368
Eaton County ISD	5,612	4,786	826
Calhoun County ISD	210,578	185,520	25,058
School Districts			
Bellevue	289,288	254,942	34,346
Maple Valley	10,217	8,768	1,449
Hastings	75,840	64,190	11,650
Pennfield	37,084	32,766	4,318
Township Operating	<u>40,756</u>	<u>35,790</u>	4,966
Total Taxes	1,308,239	1,166,051	142,188
Interest, Penalties & Other		<u>4,477</u>	
Total Collections		<u>1,170,528</u>	
REMITTANCES TO:			
Barry County		544,893	
Bellevue Schools		255,131	
Maple Valley Schools		9,890	
Hastings Schools		64,184	
Pennfield Schools		32,698	
ISDs, KCC & Willard Library		224,762	
Assyria Township		<u>38,970</u>	
Total Remittances		<u>1,170,528</u>	

The Notes to Financial Statements are an integral part of these statements.

ADDITIONAL INFORMATION

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CERTIFIED PUBLIC ACCOUNTANTS

*FLORIDA INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

To the Supervisor and Board
Assyria Township
Barry County, Michigan

We are writing this letter in conjunction with the audit of the financial statements for the Township of Assyria for the fiscal year ended March 31, 2006. We have forwarded to the state of Michigan their required copies of the report. During the course of our audit we found the financial records to be in good order.

We wish to thank you for the opportunity to serve you again this year and for the willing cooperation and assistance we received from all contacted during the course of our assignment. Please feel free to contact us at any time if you should have questions or comments.

Foote and Lloyd

CERTIFIED PUBLIC ACCOUNTANTS

Battle Creek, Michigan
December 22, 2006